



Linda Jacobson (3 Copies)  
RCRA Project Manager  
US EPA Region VIII  
8ENF-T  
1595 Wynkoop Street  
Denver, Colorado 80202-1129

August 11, 2008

SENT BY CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

**CONSENT DECREE  
CIVIL ACTION NO. CV 98-3-H-CCL  
EAST HELENA SITE  
WORK PERFORMED IN JULY 2008  
PROGRESS REPORT #115**

Dear Ms. Jacobson:

On May 5, 1998, Asarco and the United States Environmental Protection Agency (EPA) entered into a Consent Decree (Decree) to further the objectives of the Resource Conservation and Recovery Act (RCRA) and the Clean Water Act (CWA). Section XI of the Decree (Reporting: Corrective Action) requires Asarco to submit certified monthly progress reports to EPA which discuss the actions taken by Asarco in achieving compliance with the Decree. The reports are to be submitted to EPA no later than the twentieth (20<sup>th</sup>) day of the following month. The following describes only those activities that have occurred or are related to projects performed during July 2008. The historical actions taken by Asarco in achieving compliance with the Decree are contained in previous monthly progress reports.

- a. **Describe the actions, progress, and status of projects which have been undertaken pursuant to Part VII of the Decree;**

**Interim Measures**

On May 22, 2008, EPA approved the 2008 Interim Measures Work Plan Addendum (Blast Furnace Flue and Monier Flue Cleaning and Demolition). In late May 2008, the Montana Historic Preservation Officer advised Asarco that the National Historic Preservation Act and Montana Antiquities Act may have a potential effect on the all the proposed 2008 cleaning and demolition project at the East Helena facility. The Montana Department of Environmental Quality and EPA have committed to review the applicability of the Acts and impact on scheduled cleaning and demolition activities.

On July 16, 2008, URS/CWC advised Asarco that delays in work plan approval and requirements imposed by the SHPO prevented the commencement of the 2008 Interim Measures Work Plan Addendum. Asarco promptly communicated this circumstance to EPA.

In a July 17, 2008 letter, EPA advised Asarco of the procedural requirements for historic structures located at the facility, including guidance that allows Asarco to commence the demolition work following the photographic documentation of structures targeted for demolition this year. On July 21, 2008, representatives from the SHPO, MDEQ, Asarco, and Asarco's contractor (Arcadis) participated in an initial walk through of the facility to begin the process. On July 24, 2008 and July 29, 2008, Asarco submitted proposals for the historic resources services.

Asarco's historic resources contractor (Arcadis) mobilized on July 28, 2008 during which Arcadis was provided site-specific training and a preliminary tour of affected facilities. On July 29, 2008, Arcadis began reviewing the applicable engineering drawings. Photographic recordation of the facility commenced on July 30, 2008.

On July 25, 2008, Asarco provided EPA with URS's revised timetable for the 2008 cleaning and demolition project and 2008 Interim Measures Work Plan Addendum. Asarco submitted to EPA an amended schedule on July 29, 2008. That same day, EPA provided Asarco with approval of the schedule. Asarco and its contractor continue to express concerns that uncontrollable events such as weather disruption may compromise the ability to complete the entire work set forth in the schedule.

On July 24, 2008, Asarco submitted to EPA a compact diskette of the 2008 Cleaning and Demolition Project, Asarco East Helena Plant, Introduction, Project Summary, and Reporting and 2008 Work Plan.

On July 24, 2008, Asarco submitted to EPA the Addendum to Interim Measures Work Plan, Former Acid Plant Sediment Drying Area Slurry Wall, Monitoring, Operations, and Maintenance Report, Asarco East Helena Facility. On July 30, 2008, Asarco submitted to EPA three compact diskettes of this report.

#### **Corrective Action Management Unit (CAMU)**

The installation of the 24-inch cushion layer, leachate collection piping, and drain rock was completed on July 2, 2008. The cushion material was spread across the cell using a low ground pressure dozer and the drain rock was placed using a shooter truck. A haul road consisting of 36-inches of cushion layer material was constructed from the northwest corner, along the north slope, and beyond the northeast corner of the cell.

Cleveland Wrecking Company began hauling stored waste from the Ringling Coverall Building, Barnum Coverall Building, Bailey Coverall Building, and

concentrate storage and handling building to the CAMU Phase 2 cell on July 7, 2008. The waste was loaded in side dump and end dump trucks, weighed at the Asarco truck scale, and hauled to the CAMU. Hydrometrics personnel photographed, recorded truck contents, and weighed every truck hauling waste to the CAMU cell. Hydrometrics personnel also sampled the contents of the haul trucks at a frequency of 1 sample per 20 truckloads. IRS Environmental began hauling the stored asbestos containing material (ACM) from the Direct Smelt Building and area adjacent to the blast furnace stack on July 15, 2008 and placing it in the southwest corner of the cell. The ACM was covered with a minimum of 6-inches of waste within 24-hours of being placed in the CAMU cell. The location of the ACM material was surveyed by Hydrometrics personnel for future reference. IRS Environmental completed hauling of the ACM on July 18, 2008. Cleveland Wrecking Company completed hauling of the stored waste on July 23, 2008 and began final cleanup of the five containment structures. The concentrate storage and handling building and Direct Smelt Building were shovel cleaned. The Ringling Coverall Building, Barnum Coverall Building, and Bailey Coverall Building were cleaned with high-pressure water and a vacuum truck. On July 31, 2008, a representative from the Montana Department of Environmental Quality conducted a post-cleaning inspection of the five containment buildings.

On June 25, 2008, Asarco submitted a letter that requests an extension until August 31, 2008 for the storage of CAMU-eligible wastes in structures that meet the substantive conditions outlined in 40 CFR Subpart DD (Containment Building Requirements). In a letter dated June 27, 2008, EPA granted the requested extension. Asarco has met its obligation to have the stored CAMU-eligible wastes placed in the CAMU no later than August 31, 2008.

Weekly construction progress meeting are being conducted each Wednesday morning. All participants are encouraged to attend or connect to the meeting through a telephone conference bridge. EPA is being provided summary minutes of each weekly meeting as well as daily and weekly CAMU construction reports, density test results, and hydraulic conductivity results from Asarco contractor.

On June 25, 2008, Asarco submitted a recommendation to EPA to amend the CAMU Phase 2 Cell Design Analysis Report to better clarify the sampling of waste that is destined for placement in the CAMU Phase 2 cell. On July 24, 2008, EPA approved the amended language. On July 25, 2008, Asarco submitted to EPA the re-draft of the CAMU Phase 2 Cell Design Analysis Report (July 2008) that contained recent text modifications and approved changes.

On July 30, 2008, Asarco submitted by electronic mail to EPA a memorandum from Hydrometrics' and a corresponding Material Safety Data Sheet for the dust suppression cap product that Asarco placed on the waste material within the CAMU Phase 2 cell. The dust suppression was used as an interim measure to stabilize the CAMU waste while awaiting installation of the temporary cover. On

July 30, 2008, Asarco submitted a formal request letter for approval of the use and application of Asarco's selected dust suppression.

#### **RI/FS Long-Term Monitoring Program**

During July 2008, quarterly groundwater monitoring was conducted under the Quarterly Monitoring Program and Speiss/Dross Monitoring Program as outlined in the Updated Monitoring Program (February 2008). The groundwater monitoring took place from July 14, 2008 through July 23, 2008. A total of 73 groundwater wells were monitored as part of the two monitoring programs. Samples were not collected from five (5) monitoring wells (DH-12, DH-31, DH-32, DH-38, and MW-7) due to the well being dry or insufficient water to collect a sample. A total of 86 samples were submitted to Energy Laboratories for analyses of parameters outlined in Table B for the quarterly monitoring sites and Table A (excluding supplemental metals and analyzing arsenic and metals as dissolved and total as outlined in the Speiss/Dross monitoring program) of the 2008 Monitoring Program. The total number of samples submitted to the laboratory included 18 QA/QC samples (6 duplicates, 6 DI blanks, and 6 rinsate blanks).

In addition to completing the quarterly and Speiss/Dross groundwater monitoring, Hydrometrics personnel started to conduct slug test on the new well that were installed as part of the 2008 Addendum to Interim Measures Work Plan East Helena Facility, 2008 Groundwater Investigation Work Plan (March, 2008). Pneumatic slug tests were conducted on EH-120 and EH-119 on the week of July 28, 2008. Due to lower than anticipated results at EH-120, the slug tests were conducted again on August 4, 2008 to confirm the results.

On July 7 and 8, 2008, Asarco submitted to EPA the well logs for the thirteen (13) new groundwater monitoring wells that were constructed in April and May 2008.

On July 8, 2008, Asarco conducted the monthly sampling of select residential groundwater wells, as prescribed in RI/FS Long-Term Monitoring Program (February 2008). The analytical results from this sampling event have not yet been received from Energy Laboratory. Copies of the June 2008 residential well notification cover letters along with the respective laboratory analytical reports have been attached to this monthly progress report.

A summary of the correspondence transmitted as part of the East Helena Consent Decree in July 2008 is included in Attachment 1.

- b. Identify any requirements under the Part VII of the Decree that were not completed in a timely manner, and problems or anticipated problem areas affecting compliance with the Decree;**

There were no other requirements that were not completed in a timely manner nor were there problems or anticipated problem areas that may affect compliance with

the Decree. On July 16, 2008, URS/CWC advised Asarco that delays in work plan approval and requirements imposed by the SHPO prevented the commencement of the 2008 Interim Measures Work Plan Addendum. Asarco promptly communicated this circumstance to EPA. Asarco and its contractor continue to express concerns that uncontrollable events such as weather disruption may compromise the ability to complete the entire work set forth in the schedule.

**c. Describe projects completed during the prior month, as well as activities scheduled for the next month;**

In accordance with the 1) 2006 Interim Measures Work Plan Addendum, Final Cleaning, Soil Sampling, Backfilling, and Interim Cap Work Plan and 2) 2006 Interim Measures Work Plan Addendum, Former Acid Plant Sediment Drying Area Slurry Wall, Monitoring, Operation, and Maintenance Work Plan, four areas in which interim caps have been installed are being inspected on a monthly basis with the most recent inspections occurring on July 9, 2008.

CAMU Landfill - In accordance with the July 2000 CAMU Design Analysis Report (Operation and Maintenance Plan), the CAMU is being inspected monthly with the last inspection occurring on July 2, 2008. This monthly inspection documented the condition of the CAMU.

During August 2008, anticipated field activities include completing all of the slug tests for the new groundwater monitoring wells and conducting the quarterly monitoring associated with the CAMU Sampling and Monitoring Plan (May 2007). The cleaning and demolition project is scheduled to commence in August 2008.

**d. Describe and estimate the percentage of studies completed;**

The Pump and Treat Pilot Scale Testing for Source Area Reduction of Groundwater Contamination is approximately 100% complete.

The jar testing (Phase I) of the East Helena PRB Materials Testing Program is 100% complete.

The slurry wall construction in the former acid plant sediment drying area is 100% complete. On July 24, 2008, Asarco submitted to EPA the Addendum to Interim Measures Work Plan, Former Acid Plant Sediment Drying Wall, Monitoring, Operations, and Maintenance Report, Asarco East Helena Facility.

The interim capping project for the former acid plant sediment drying area, dross area, sinter plant area, gas cleaning section of the acid plant, and thaw house is 100% complete.

The revised January 2008 CAMU Phase 2 Cell Design Analyses is 100%

complete, the CAMU Phase 2 Cell financial assurance is fully funded, and construction of the CAMU Phase 2 cell is approximately 15% complete.

The slurry wall construction in the former speiss-dross plant area is 100% complete.

**e. Describe and summarize all findings to date;**

The details of past findings through June 2008 are described and summarized in previous monthly progress reports.

**f. Describe actions being taken to address problems;**

There were no other actions required to address problems associated with the Decree.

**g. Identify changes in key personnel during the period;**

Asarco continues to use the services of Asarco technical personnel and Hydrometrics Incorporated to perform the various activities required under the Consent Decree.

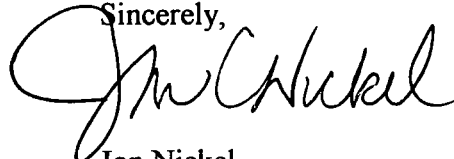
**h. Include copies of the results of sampling and tests conducted and other data generated pursuant to work performed under Part VII of the Decree since the last Progress Report. Asarco may submit data that has been validated and confirmed by Asarco to supplement any prior submitted data. Updated validated and confirmed data shall be included with the RFI Report, if not delivered before;**

Two validation packages entitled "*Validation Summary, Asarco East Helena Post RI/FS Long-Term Monitoring Program, East Helena Residential Groundwater, Inorganic Analyses, June 2008 Sample Event*" and "*Validation Summary, Asarco East Helena Interim Measures, Post/RI/FS Long-Term Monitoring Project, Surface Water, Groundwater, and CAMU Wells, Quarterly Sampling Event, Inorganic and Organic Analyses, April and May 2008*" are attached to this monthly progress report.

**i. Describe the status of financial assurance mechanisms, including whether any changes have occurred, or are expected to occur which might affect them, and the status of efforts to bring such mechanisms back into compliance with the requirements of this Decree.**

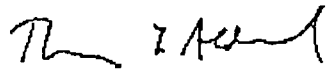
ASARCO filed a voluntary petition for relief under chapter 11 of Title 11 of the United States Bankruptcy Code in the Southern District of Texas on August 9, 2005. ASARCO hopes to use its chapter 11 bankruptcy proceeding to improve its financial position to the point where it can successfully reorganize and emerge

from bankruptcy. ASARCO further hopes that at that time it will be in a position to make the required financial assurance demonstration. Asarco has established the necessary CAMU Phase 2 Cell financial assurance and has provided EPA with the complete executed original of the CAMU Trust Fund Agreement.

Sincerely,  
  
Jon Nickel

CERTIFICATION  
PURSUANT TO U.S. v ASARCO INCORPORATED  
(CV-98-3-H-CCL, USDC, D. Montana)

I certify under penalty of law that this document, July 2008 Progress Report and all attachments, were prepared under my direct supervision in accordance with a system designed to assure that qualified personnel gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine or imprisonment for knowing violations.

Signature   
Name: Thomas L. Aldrich  
Title: Vice President Environmental Affairs  
Date: August 6, 2008



CONSENT DECREE  
EAST HELENA SITE  
JULY 2008 PROGRESS REPORT

SUMMARY OF CORRESPONDENCE  
ATTACHMENT 1

DATE OF TRANSMITTAL	CORRESPONDENCE SENT FROM	CORRESPONDENCE SENT TO	SUBJECT	RESPONSE
July 7 and 8, 2008	Jon Nickel	Linda Jacobson	Well Log Information	No Formal Approval Required
July 24, 2008	Jon Nickel	Linda Jacobson	Historic Resource Recordation Scope of Work	Awaiting EPA Approval
July 24, 2008	Jon Nickel	Linda Jacobson	Addendum to Interim Measures Work Plan, Former Acid Plant Sediment Drying Area Slurry Wall, Monitoring, Operations and Maintenance Report	Awaiting EPA Approval
July 24, 2008	Jon Nickel	Linda Jacobson	2008 Cleaning and Demolition Diskette	No Formal Response Required
July 25, 2008	Jon Nickel	Linda Jacobson	CAMU Phase 2 Cell Design Analysis Report (July 2008)	Awaiting EPA Approval
July 25, 2008	Jon Nickel	Linda Jacobson	2008 Cleaning and Demolition Schedule	EPA Request for Revisions
July 29, 2008	Jon Nickel	Linda Jacobson	Historic Resources Recordation Scope of Work (Revised)	Awaiting EPA Approval
July 29, 2008	Jon Nickel	Linda Jacobson	2008 Cleaning and Demolition Schedule (Revised)	EPA Approval July 29, 2008
July 30, 2008	Jon Nickel	Linda Jacobson	CAMU Dust Suppression Memorandum	Awaiting EPA Approval

July 30, 2008	Jon Nickel	Linda Jacobson	CAMU Dust Suppression Letter	Awaiting EPA Approval
July 30, 2008	Jon Nickel	Linda Jacobson	Addendum to Interim Measures Work Plan, Former Acid Plant Sediment Drying Area Slurry Wall, Monitoring, Operations and Maintenance Report (Diskettes)	Awaiting EPA Approval
Throughout July 2008	Jon Nickel and Mark Rhodes	Linda Jacobson	CAMU Phase 2 Cell - Daily and Weekly Progress Reports	No Formal Response Required
Attached to This Monthly Progress Report	Jon Nickel	Linda Jacobson	Residential Well Notification Letters	No Formal Response Required
Attached to This Monthly Progress Report	Jon Nickel	Linda Jacobson	Validation Summary, Asarco East Helena Post RI/FS Long-Term Monitoring Program, East Helena Residential Groundwater, Inorganic Analyses, June 2008 Sample Event	No Formal Response Required
Attached to This Monthly Progress Report	Jon Nickel	Linda Jacobson	Validation Summary, Asarco East Helena Interim Measures, Post/RI/FS Long-Term Monitoring Project, Surface Water, Groundwater, and CAMU Wells, Quarterly Sampling Event, Inorganic and Organic Analyses, April and May 2008	No Formal Response Required